

**APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER  
OF USE AND PLACE OF USE OF THE PUBLIC WATERS  
OF THE STATE OF NEVADA HERETOFORE APPROPRIATED**

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office

JUN 23 2016

Returned to applicant for correction

Corrected application filed

Map filed Nov. 12, 1996 Under 62582

The applicant Klondex Midas Operations Inc.2720 Ruby Vista Drive, Suite 102of Elko

Street Address or PO Box

City or Town

Nevada 89801

State and ZIP Code

hereby make(s) application for permission to change the

☐ Point of diversion☒ Place of use☐ Manner of use☐ of a portion

of water heretofore appropriated under (Identify existing rights by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

Permit 62582

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JUN 23 11:10:51  
STATE ENGINEER'S OFFICE

1. The source of water is Underground (Decline Portal)

Name of stream, lake, underground, spring or other sources.

2. The amount of water to be changed 25.00 AFA

Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for Mining and Milling

Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use

4. The water heretofore used for Mining and Milling

If for stock, state number and kind of animals.

5. The water is to be diverted at the following point (Describe as being within a 40-acre subdivision of public survey and by course and distance to a found section corner. If on unsurveyed land, it should be stated.)

Unchanged

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)

Within the NW¼ NW¼ Section 27, T39N, R46E, M.D.B.&M. or at a point from which the northwest corner of said section 27 bears N 08°43'00" W a distance of 1144.46 feet. Refer to map on file for Permit 62582 for existing Point of Diversion.

W. How Creek Valley  
4-63  
21

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

Within sections 3, 4, 9, 10, 15, 16, 21, 22, 27, 28, 33, and 34, T39N, R46E, M.D.B.&M. Refer to map on file for Permit 75666 for the proposed Place of Use.

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)

Refer to map on file for Permit 62582 for existing Place of Use.

9. Proposed use will be from January 1 to December 31 of each year.  
Month and Day Month and Day

10. Existing use permitted from January 1 to December 31 of each year.  
Month and Day Month and Day

11. Description of proposed works. (Under the provision of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) (State manner in which water is to be diverted, i.e., diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.)

Water to be diverted from the Decline Portal to an on-site water treatment plant then, the treated water which meets Nevada Profile 1 standards, will be discharged to the place of use, in Section 22, for return to the basin.

12. Estimated cost of works \$100,000

13. Estimated time required to construct works 1 year to complete pipeline construction

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 1 year

15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

Water currently being diverted from the underground mine workings through the Decline Portal will be treated and discharged to a dry non-jurisdictional stream bed within the proposed place of use and returned to the basin. The current place of use under Permit 62582 is the tailings impoundments at the Midas Mine where the water is recycled through the milling process for gold recovery and evaporated. To avoid evaporative losses and large amounts of water within the tailings impoundments this Change Application is being requested.

16. Miscellaneous remarks:

The option to convey the water to the tailings impoundments will remain in place to allow for milling and gold recovery or should the water treatment plant need repairs.

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E-mail Address

(775) 738-6070

Phone No.

Ext.

APPLICATION MUST BE SIGNED  
BY THE APPLICANT OR AGENT

Heather Tate

Type or print name clearly

Signature, applicant or agent

Klondex Midas Operations Inc.

Company Name

2720 Ruby Vista Drive, Suite 102

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Elko, Nevada 89801

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